

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, April 26, 2005, the following members were present:

Greg Jergeson, Chairman
Brad Molnar, Vice Chairman
Doug Mood, Commissioner
Robert H. Raney, Commissioner
Thomas J. Schneider, Commissioner

APPEARANCE

Eric Eck, Utility Division

(162) In the matter of Black Hills Power – D2005.4.45 – On April 6, 2005, BHP filed a Quarterly Fuel Rate Rider application. A Notice of Opportunity for Public Hearing was issued on April 7, 2005. Requests for hearing were due by April 25, 2005. No requests have been received. This application will increase revenues by \$16,381 over the base cost of fuel approved in docket No. 83.4.25. A default order has been drafted.

Commissioner Molnar moved to increase revenues pursuant to its Quarterly Fuel Rate Rider application in Docket No. D2005.4.45. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE

Scott Fabel, Utility Division

(163) In the matter of Citizens Telecommunications Company of Montana – N2005.4.47 – On March 28, 2005 Citizens requested changes in its tariffs for calling features. The purpose of this filing is to introduce Selective Call Acceptance as a new calling feature within the Customized Local Area Signaling Service (CLASS) and Citizen Business Select Bundled Service. Also this filing introduces a pay per use (PPU) rate for Select Bundled Service. Also this filing introduces a pay per use (PPU) rate for Selective Call Acceptance and Selective Call Rejection.

Commissioner Schneider moved to approve Citizens' request to introduce Selective Call Rejection and (PPU) rates for Selective Call Acceptance and Selective Call Rejection in Docket N2005.4.47. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE

Will Rosquist, Utility Division

(164) In the matter of City of Great Falls – N2005.3.34 – On March 21, 2005, the City of Great Falls filed an application for a license to offer and sell retail electricity supply services to residential and small commercial customers in NorthWestern Energy's service territory. City of Great Falls is currently to provide electricity to select retail customers identified in its license granted September 28, 2004, in Docket No. N2004.9.150.

Commissioner Raney moved to deny the City of Great Falls application for a license and send a letter describing the flaws in the City's proposed standard forms and contracts. The letter will also state that the Commission will not accept an application for a license to serve residential and small commercial customers with average monthly demand less than 50 KW without an accompanying comprehensive proposal for a customer aggregation program. Commissioner Schneider seconded the motion, which passed unanimously.

(165) In the matter of EPCOR Merchant and Capital, Inc. – N2005.3.35 – On March 24, 2005, EPCOR Merchant and Capital, Inc. filed an application for a license to offer and sell retail electricity supply services to large commercial and industrial customers with an average monthly loads greater than 300 KW.

Commissioner Schneider moved that EPCOR sufficiently complied with the licensing rules and grant a license that limits EPCOR's eligible market to customers with average monthly loads of 300 KW or more, with a condition upon receipt of the specific financial information related to EPCOR Merchant and Capital (US), Inc. Commissioner Mood seconded the motion, which failed with a vote of 2 to 3. Commissioner Jergeson, Commissioner Molnar, and Commissioner Raney voted no.

Commissioner Jergeson moved that EPCOR be granted a license but on the condition that EPCOR obtain and file a letter of guarantee in the amount of \$100,000 from its parent, EPCOR Utilities Inc., related to its Montana supply activities, and limit EPCOR's eligible market to customers with average monthly loads of 300 KW or more. This motion died for lack of a second.

Commissioner Schneider moved to waive ARM 38.5.8002(1)(l) with respect to EPCOR's license application and grant a license that limits EPCOR's eligible market to customers with average monthly loads of 300 KW or more. Commissioner Raney seconded the motion, which passed with a vote of 4 to 1. Commissioner Molnar voted no.

Commissioner Molnar offered a substitute motion to deny without prejudice and request the needed information and bring this matter back to next week's work session. This motion died for lack of a second.

APPEARANCE

Wayne Budt, Transportation and Centralized Services

(166) In the matter of approval of Commission Minutes for the week of April 18, 2005;

Commissioner Raney moved to approve the Commission Minutes for the week of April 18, 2005. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE

Gary Duncan

(167) In the matter of the Commission's discussion of D2005.2.13, D2005.4.56 – Qwest, New Rochelle Telephone Corporation – Adoption of Qwest/Covista interconnection agreement, Batch Hot Cut and UNE-P amendment, USTA II, and TRO amendment, Qwest Platform Plus (QPP) agreement;

Commissioner Schneider moved to approve the interconnection agreement between Qwest and New Rochelle Telephone Corporation filed in Docket D2005.2.13. Commissioner Raney seconded the motion, which passed 4 to 0. Vote was left open for Commissioner Molnar.

Commissioner Raney moved to approve the Batch Hot Cut and UNE-P amendments to the Qwest/New Rochelle interconnection agreement in Docket D2005.2.13 with the condition to delete the last sentence in section 1.0. Commissioner Mood seconded the motion, which passed unanimously.

Commissioner Schneider moved to approve the USTA II/TRO amendments to the Qwest/New Rochelle interconnection agreement in Docket D2005.2.13. Commissioner Raney seconded the motion, which passed unanimously.

Commissioner Raney moved to approve Qwest Platform Plus (QPP) agreement between Qwest and New Rochelle Telephone Corporation in Docket D2005.4.56. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE
Al Brogan, Legal

(168) In the matter of the Commission's discussion of Docket D2004.2.21 – Montana Attorney General – in the matter of a Commission Investigation of Electricity Market Activity Affecting Retail Customers during the Period 2000 through 2001;

Commissioner Mood moved to deny the motion for clarification and the motion to waive 10-day rule for reconsideration of Commission's April 6, 2005, Notice of Commission Action. Commissioner Molnar seconded the motion, which passed unanimously.

(169) In the matter of the Commission's discussion of Docket D2005.2.14 – NorthWestern Energy – In the Matter of the Application of NorthWestern Energy for Advanced Approval of Certain Proposed Electricity Power supply Purchase Agreements;

Commissioner Schneider moved to grant NorthWestern Energy's motion to withdraw their application for advanced approval of the Colstrip 4 agreement and close the docket. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE
Kate Whitney
Utility Division

(170) In the matter of the Commission's discussion of an extension until June 30 for Nina Wines

to use up her annual leave;

Commissioner Schneider moved to approve the extension of time until June 30 for Nina Wines to use up her excess annual leave. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Legal Division

(171) In the matter of the Commission's discussion of staff travel – Robin McHugh, Al Brogan, and Monica Tranel to go to the NARUC attorney's conference in Baltimore in June.

Commissioner Raney moved to allow staff to travel out of state to attend the NARUC attorney's conference in Baltimore. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE

Kate Whitney, Joel Tierney
Utility Division

(172) In the matter of the Commission's discussion of personnel;

Commissioner Schneider moved to advertise PSC job vacancy as a utility engineer's position. Commissioner Jergeson seconded the motion, which passed unanimously.

APPPEARANCE

Robin McHugh, Legal

(173) In the Commission's discussion of T-04.54.PCN – Application for taxi authority in Gallatin County;

Commissioner Raney moved to deny the applicant exceptions and approve Proposed Order No. 6659 as the Commission's Final Order in the docket. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Transportation and Centralized Services

(174) In the Commission's discussion of FY 05 and FY 06 budget review;

Commissioner Jergeson moved to approve the proposed budget allocations to make up the vacancy savings in the coming fiscal year. Commissioner Raney seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

GREG JERGESON, Chairman

BRAD MOLNAR, Vice Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Judy Scheier
Commission Secretary

(SEAL)